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RUEHBK/AMEMBASSY BANGKOK 8469
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SENSITIVE SIPDIS

DEPT FOR SCA/PB
USDA PASS FAS for OCRA/Riker/Carver, OCBD/Kreamer
NEW DELHI FOR FAS
BANGKOK FOR USAID
ROME FOR FODAG

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TAGS: <u>EAGR EAID ETRD</u> <u>ECON EFIN PGOV PREL BG</u>
SUBJECT: AMBASSADOR MEETS AGRICULTURE ADVISER

## SUMMARY

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11. (SBU) On May 29, 2008, Ambassador Moriarty and Dr. C.S. Karim, Adviser for the Bangladesh Ministry of Agriculture discussed priorities for the reconstruction of the cyclone-affected area and the problem of child labor at commercial processing facilities. Advisor Karim also expressed an interest in helping ensure that U.S. cotton and wheat exporters were not disadvantaged by non-tariff barriers.

## U.S. WHEAT AND COTTON EXPORTS

- 12. (SBU) Ambassador Moriarty expressed concern that, while U.S. wheat was of excellent quality, U.S. wheat exporters were presently disadvantaged by the terms included in Bangladeshi wheat contract tenders. In reply, Adviser Karim suggested that the Ambassador write a letter detailing the USG's specific concerns on this subject. Adviser Karim mentioned that a special exception had been granted to Canada for the importation of pulses and that "tender rules are made by men hence can be changed to ensure greater transparency and accountability of processes."
- 13. (SBU) On the subject of relaxing fumigation requirements upon entry in Bangladesh for U.S. cotton, Adviser Karim indicated that the Government of Bangladesh was abiding by Food and Agriculture Organization rules related to fumigation. Adviser Karim acknowledged that Bangladesh was interested in reducing non-tariff barriers and wanted to cut cost and time of imports. Adviser Karim suggested Bangladeshi and USG experts meet to find an alternative solution. He believed that a practical solution to counter this problem should be possible.

## AGRICULTURAL DEVELOPMENT AND LABOR

- ¶4. (SBU) With the added stress related to climate change, Adviser Karim noted Bangladesh needed to adopt more stress-tolerant, early-maturing and disease-resistant crop varieties. While the Boro rice crop was going to be a bumper crop with 18.5 million metric tons production expected, agricultural inputs and access remained important issues. He added that middle-men were extracting much of the price differential.
- 15. (SBU) Adviser Karim emphasized that child labor needed to be eliminated at the industry level and agreed to talk to his colleague in charge of the Ministry of Environment and Fisheries about the child labor problem. He acknowledged the regulatory regime in

Bangladesh was not strong and should be strengthened.

16. (U) Priorities for further support to the cyclone-affected area include replacement of draft animals and cows, power tillers and harvesting machines, according to Adviser Karim. He also raised the need to refurbish physical infrastructure, including buildings used as cyclone shelters in the Sundarbans, the largest mangrove forest in the world, as well as livelihood activities.

## COMMENT

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17. (SBU) Adviser Karim said he was personally grateful for the USG's exceptional responsiveness in helping Bangladesh address such key concerns as avian influenza, funding for urea fertilizer deep placement technology, and assistance in the reconstruction of cyclone-affected areas. He also registered his interest in continuing to work on the U.S.-Bangladesh Science and Technology Cooperation agreement. Turning to politics, he said he was anxious to pass on the reins of his Ministry to an elected government, underscoring the fact that he and other Advisors did not want to stay one day longer than needed in their positions.

Moriarty